

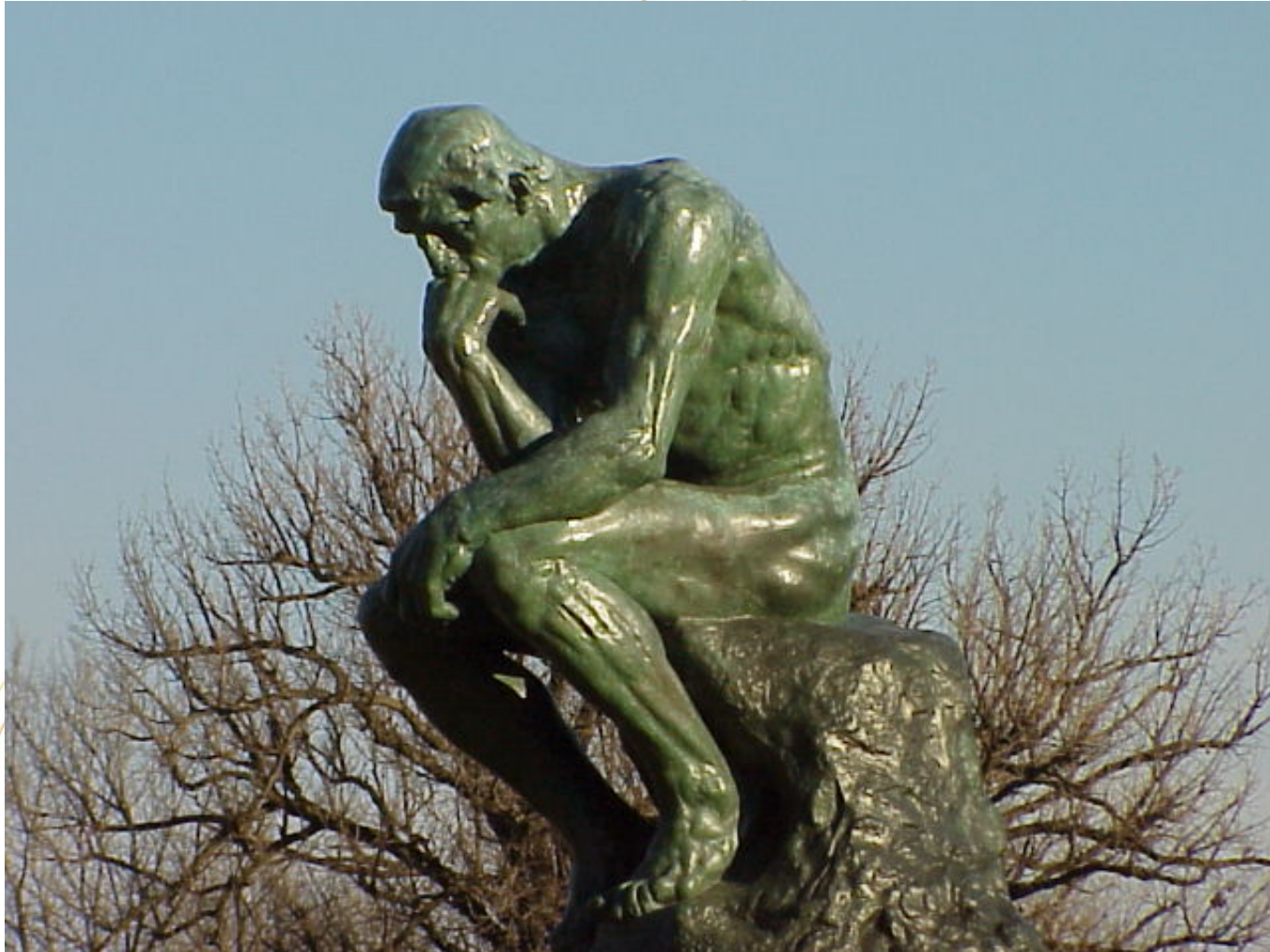
Topics

- Why take out Insurance?
- The Indian insurance market
- The Tariff
- Life after the Tariff

Insurance?



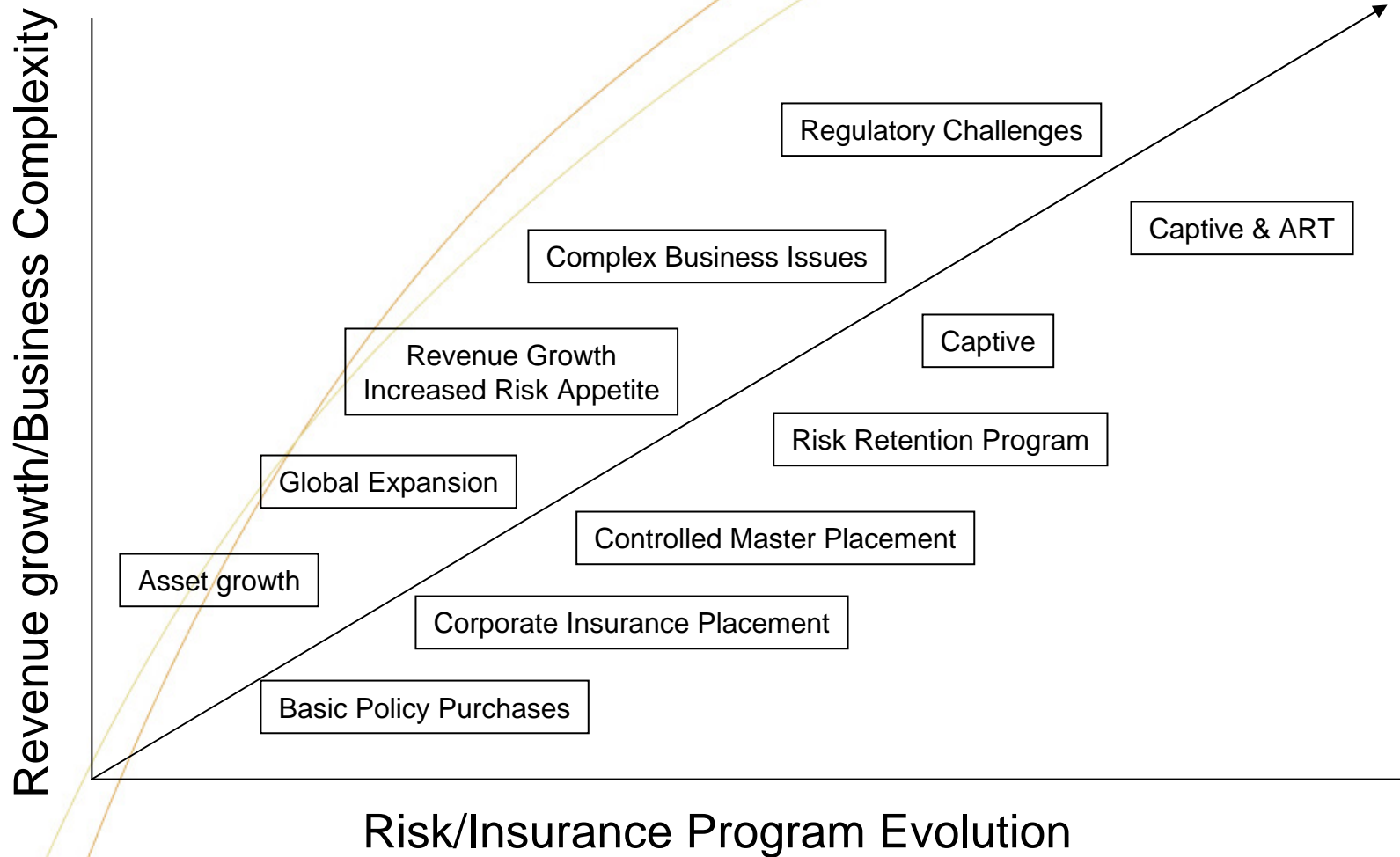
Why do you insure?



Why take out Insurance?

- Indemnification against unexpected loss
- Reduction in uncertainty
- Release of funds for more productive use
- Access to specialist risk management services

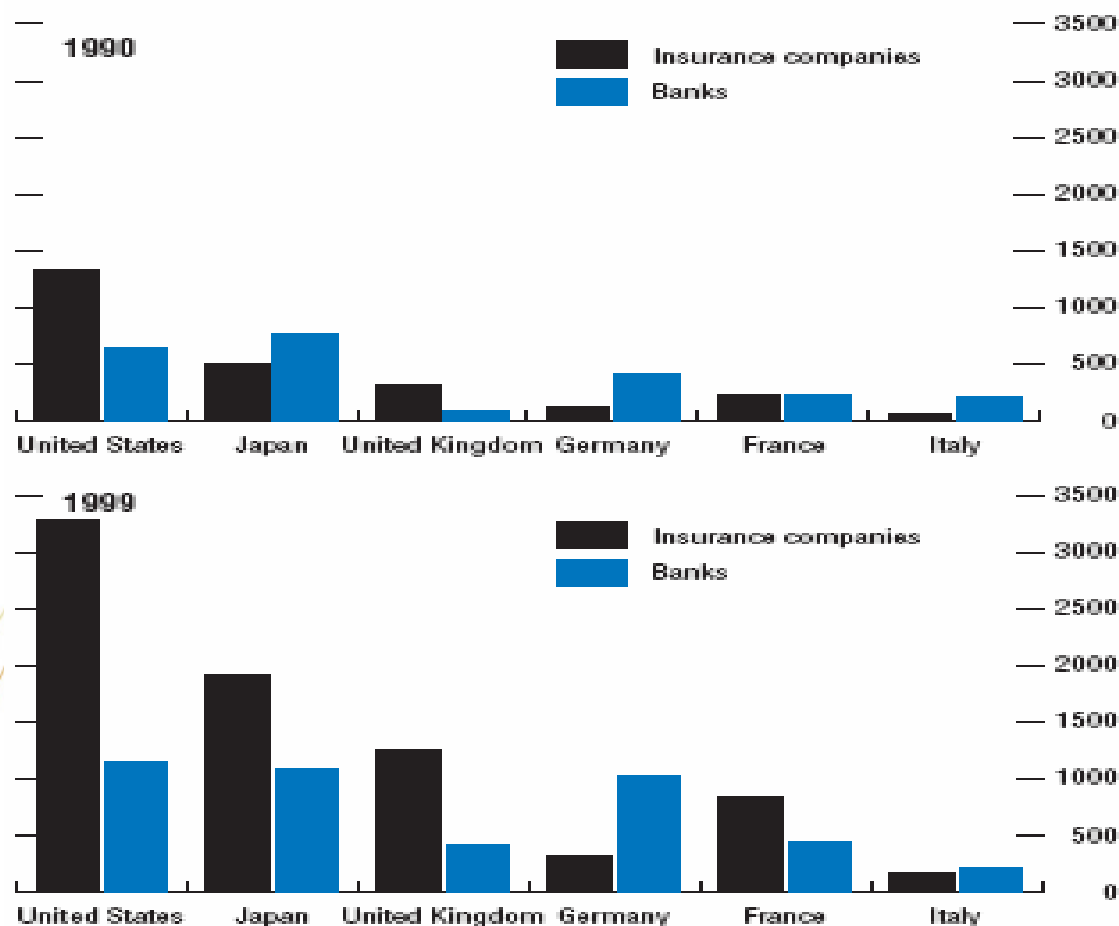
Insurance Complexity



Insurers hold large amounts of financial securities

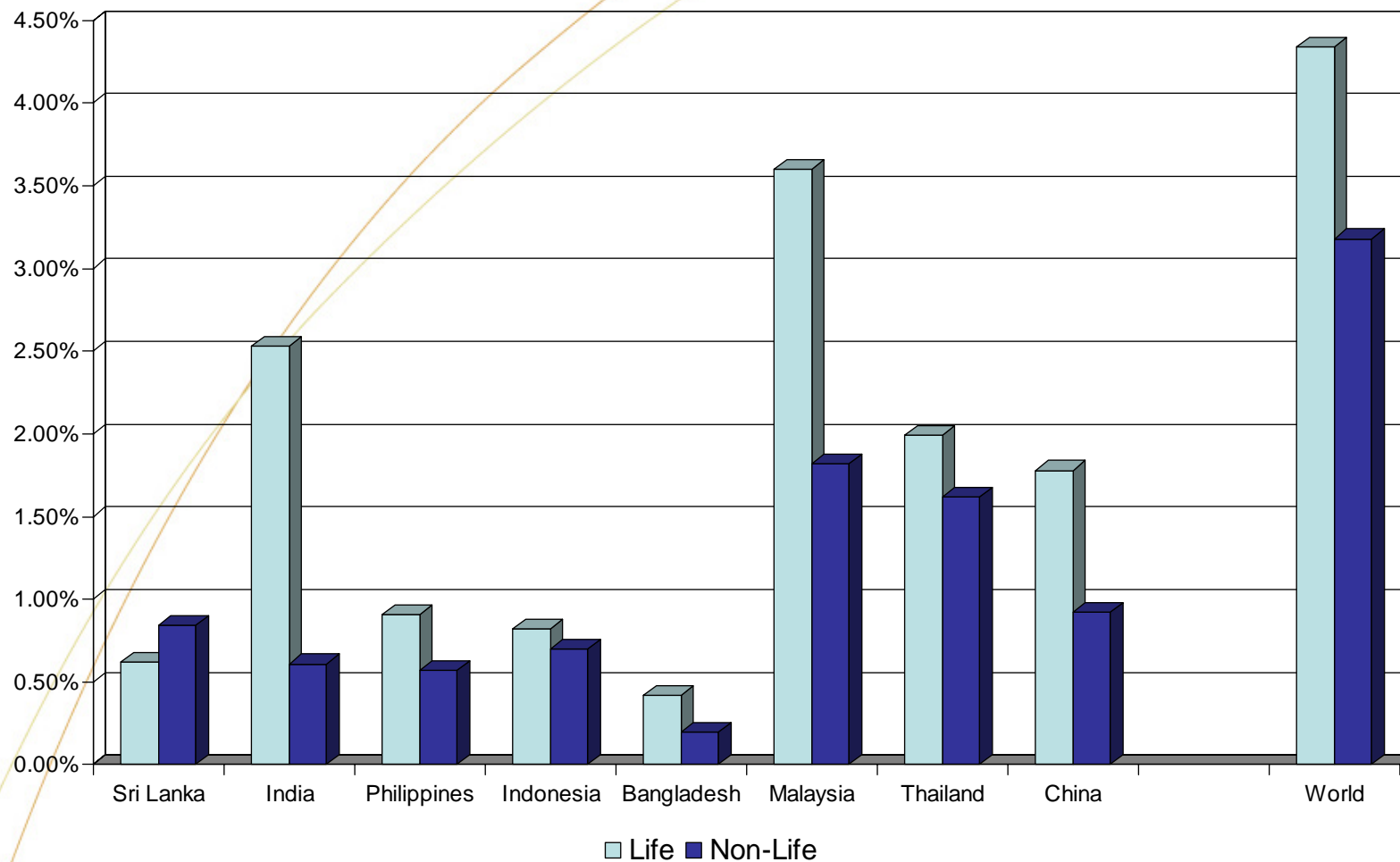
Figure 3.3. Holdings of Financial Securities by Insurance Companies and Banks

(In billions of U.S. dollars)



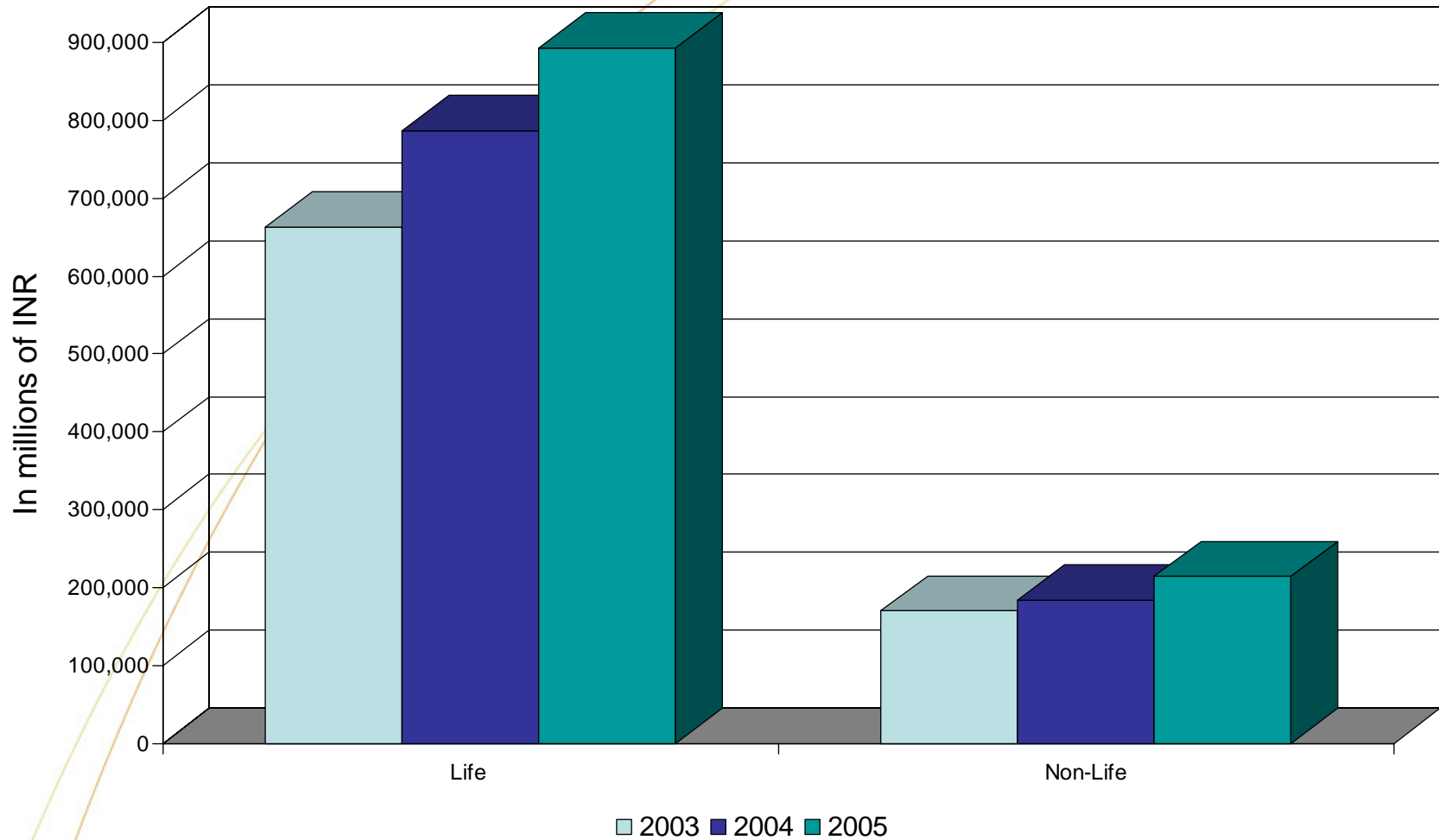
Source: Organization for Economic Cooperation and Development.

Insurance Penetration – in % of GDP 2005



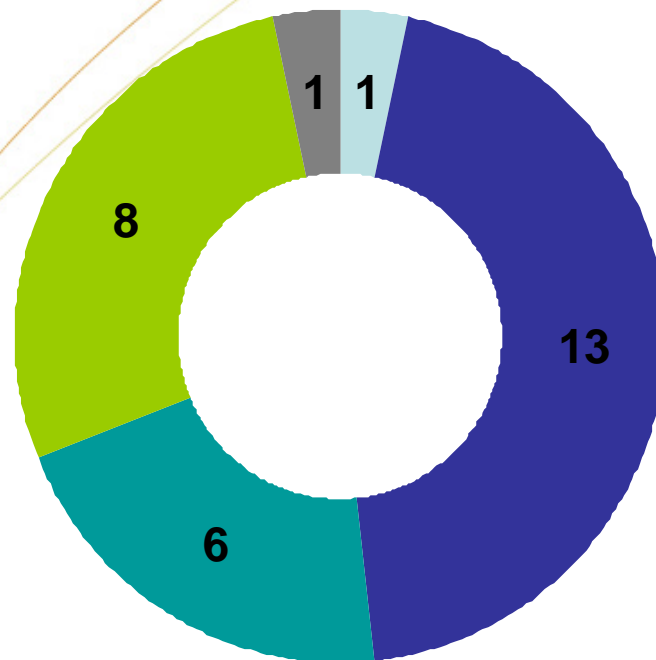
Source: SwissRe sigma

Indian Insurance Market Premium Volume



Source: SwissRe sigma

Players in the Indian Insurance Market



■ Life - Public ■ Life - Private ■ Non-Life Public ■ Non-Life Private ■ Reinsurance

Players in the Indian Insurance Market



Royal Sundaram

Beyond expectations

RELIANCE General Insurance

Anil Dhirubhai Ambani Group



GENERAL INSURANCE
The Life You Deserve



WITH YOU ALWAYS

BAJAJ | Allianz

ICICI Lombard
Insurance Online



Cholamandalam MS
GENERAL INSURANCE



International
Finance Corporation
World Bank Group

The Insurance Tariff?

- Still under Tariff:
 - Motor
 - Fire
 - Engineering
- Represents 70% of non-life premiums
- 30% to 40% premium reduction in Marine Hull

Effects of Tariff Lifting

"A free pricing regime is one of the major pillars of a liberalized market. The other pillar is the regulatory framework. We are looking forward to the market being detariffed effective 1st January 2007 and also hoping that the regulator will monitor market conduct, solvency margins to prevent unhealthy competition resulting from a price war and will reign in recalcitrant insurers."

Dalip Verma, Managing Director, Tata AIG General Insurance

Effects of Tariff Lifting

- Technical underwriting?
- Risk-based underwriting
- Cover responding to customer's requirements
- Change in distribution channels

What are your expectations?

